

AUDIT COMMITTEE

At a Hybrid Meeting of the Audit Committee held in the Civic Space, 16 Church Street, Dumbarton on Wednesday, 15 June 2022 at 10.00 a.m.

Present: Councillors Karen Conaghan, Ian Dickson, Craig Edward, Jonathan McColl, James McElhill, Michelle McGinty, John Millar and Martin Rooney and Lay Member Mr Chris Johnstone.

Attending: Joyce White, Chief Executive; Laurence Slavin, Chief Officer – Resources; Angela Wilson, Chief Officer – Supply, Distribution & Property; Amanda Graham, Chief Officer – Citizen, Culture & Facilities; Andi Priestman, Shared Service Manager – Audit & Fraud; Julie Slavin, Chief Finance Officer; Stephen Daly, Citizen & Digital Manager; Gillian McNeilly, Finance Manager; and Ashley MacIntyre, Nicola Moorcroft and Gabriella Gonda, Committee Officers.

Also attending: Christopher Gardner, Senior Audit Manager, Audit Scotland.

Councillor Karen Conaghan in the Chair

STATEMENT BY CHAIR

Councillor Conaghan, Chair, welcomed all those present to the meeting which was being held in hybrid format.

DECLARATIONS OF INTEREST

It was noted that there were no declarations of interest in any of the items of business on the agenda.

RECORDING OF VOTES

The Committee agreed that all votes taken during the meeting be done by roll call vote to ensure an accurate record.

OPEN FORUM

The Committee noted that no open forum questions have been submitted by members of the public.

ANNUAL REPORT ON THE AUDIT COMMITTEE – 2021/22

A report was submitted by the Chief Officer – Resources providing the Audit Committee Chair's 2021/22 Annual Report on the Audit Committee.

After discussion and having heard the Chair in further explanation of the report and in answer to Members' questions, the Committee agreed:-

- (1) to review and endorse the Chair's Annual Report on the Audit Committee for 2021/22; and
- (2) to agree that the report would be presented to a future meeting of the Council in line with best practice guidance.

INTERNAL AUDIT PLANS 2020/21 AND 2021/22 - PROGRESS TO 15 JUNE 2022

A report was submitted by the Chief Officer – Resources advising of progress at 31 May 2022 against the Internal Audit Plans for 2020/21 and 2021/22.

After discussion and having heard the Shared Service Manager – Audit & Fraud in further explanation of the report and in answer to Members' questions, the Committee agreed to note the contents of the report.

INTERNAL AUDIT ANNUAL REPORT TO 31 MARCH 2022

A report was submitted by the Chief Officer – Resources advising of the work undertaken by Internal Audit in respect of the 2021/22 Annual Audit Plan and advising of the contents of the Assurance Statement given to Members of West Dunbartonshire Council, the Chief Executive and the Section 95 Officer (Chief Officer - Resources) in support of the Annual Governance Statement.

After discussion and having heard the Shared Service Manager – Audit & Fraud in further explanation of the report and in answer to Members' questions, the Committee agreed to note the contents of the report.

2022/23 INTERNAL AUDIT PLAN

A report was submitted by the Chief Officer – Resources advising of the planned programme of work for the Internal Audit Section for the year 2022/23.

After discussion and having heard the Shared Service Manager – Audit & Fraud in further explanation of the report and in answer to Members' questions, the Committee agreed to approve the 2022/23 Audit Plan.

CODE OF GOOD GOVERNANCE AND ANNUAL GOVERNANCE STATEMENT 2021-22

A report was submitted by the Chief Officer – Resources advising of the outcome of the annual self-evaluation undertaken of the Council's compliance with its Code of Good Governance and inviting consideration of the Annual Governance Statement that would be published in the Council's Abstract of Accounts.

After discussion and having heard the Shared Service Manager – Audit & Fraud in further explanation of the report and in answer to Members' questions, the Committee agreed:-

- (1) to note the outcome of the recent self-evaluation process in considering how the Council currently meets the agreed Code of Good Governance, together with the issues identified and improvement actions; and
- (2) to consider the detail of the Annual Governance Statement and approve the actions identified by management to improve the internal control environment.

AUDIT SCOTLAND MANAGEMENT LETTER: WEST DUNBARTONSHIRE COUNCIL – INTERIM AUDIT TESTING 2021/22

A report was submitted by the Chief Officer – Resources advising of the Council's 2021/22 mid-year management letter issued by our external auditors, Audit Scotland and the management actions agreed in relation to the issues identified in the letter.

After discussion and having heard the Senior Audit Manager, Audit Scotland in further explanation of the report and in answer to Members' questions, the Committee agreed to note the report and the agreed management actions.

APPOINTMENT OF LAY MEMBERS

A report was submitted by the Chief Officer – Resources providing an update on the current status of Lay Member appointments to the Audit Committee.

After discussion and having heard the Chief Officer – Resources in further explanation of the report and in answer to Members' questions, the Committee agreed:-

- (1) to note the resignation of Lay Member Christopher Todd;
- (2) to note the continuation of current Lay Member Chris Johnstone; and
- (3) that recruitment of a new lay member would be undertaken in line with previous practice.

Councillor McColl wished to note thanks to the Lay Members for the hard work and dedication shown over the years.

PRUDENTIAL INDICATORS 2021/22 TO 2031/32 AND TREASURY MANAGEMENT STRATEGY 2022/23 TO 2031/32

A report was submitted by the Chief Officer – Resources providing the opportunity to further scrutinise the Prudential Indicators for 2021/22 to 2031/32 and the Treasury Management Strategy (including the Investment Strategy) for 2022/23 to 2031/32 and the indicative indicators for 2024/25 to 2030/31.

After discussion and having heard the Finance Manager in further explanation of the report and in answer to Members' questions, the Committee agreed:-

- (1) the following Prudential Indicators and Limits discussed in Appendix 1 to the report and set out within Appendix 6 to the report for the period to 2024/25;
 - Capital Expenditure and Capital Financing Requirements (Tables A and B)
 - Forecast and estimates of the ratio of financing costs to Net Revenue Stream (Table D).
- (2) to approve the policy for loans fund advances discussed in Appendix 1 to the report in section 3;
- (3) to approve the Treasury Management Strategy for 2022/23 to 2024/25 (including the Investment Strategy) contained within Appendices 2 to 6 to the report;
- (4) to agree the following Treasury Prudential Indicators and Limits discussed in Appendix 2 to the report and set out within Appendix 6 to the report for the period 2022/23 to 2024/25;
 - Operational Boundaries (Table F)
 - Authorised Limits (Table G)
 - Counterparty Limits (Table J)
 - Treasury Management Limits on Activity (Table L)
- (5) to note the draft Prudential and Treasury Management indicators for the period 2025/26 to 2031/32 discussed in Appendices 1 and 2 to the report and set out within Appendix 6 to the report;
- (6) to approve the statement by the Section 95 Officer regarding the gross debt level in comparison to the Capital Financing Requirement (Appendix 2 to the report – Point 2.3); and
- (7) to note the report would be referred to Audit Committee for further scrutiny.

SCOTTISH PUBLIC SERVICES OMBUDSMAN COMPLAINTS REPORT 2020-21

A report was submitted by the Chief Officer – Citizen, Culture & Facilities presenting the Scottish Public Services Ombudsman (SPSO) report on complaints handling by West Dunbartonshire Council for the year 1 April 2020 – 31 March 2021.

After discussion and having heard the Citizen & Digital Manager in further explanation of the report and in answer to Members' questions, the Committee agreed to note the contents of the report and the ongoing commitment at a service and strategic level to monitor complaints and ensure compliance with Scottish Public Services Ombudsman (SPSO) timelines.

Councillor Conaghan wished to note thanks to the Citizen & Digital Manager and the full team for their hard work.

The meeting closed at 11:21 a.m.